

Draft

SUMMARY OF GENERAL RECOMMENDATIONS:

1. Transfer all patent activities, including appropriate staff to FTR R&D -- accountable to Manuel Bourlas. ('91 - \$400,000 + 3 staff)
2. Transfer fiscal responsibility of INBIFO to FTR R&D -- accountable to Manuel Bourlas. ('91 - \$2,300,000)
3. Transfer all costs and monitoring function of the AFSC to FTR R&D -- accountable to Manuel Bourlas. ('91 - \$250,000)
4. Transfer C&B legal fees for EEC Corporate Affairs to Hugh Brass for reallocation to appropriate cost centers per Gerard Wirz. ('91 - \$700,000)
5. Transfer fiscal and management accountability for primary issue grants/contracts and consultants to Chuck Wall. ('91 - \$566,725)
6. S&T avoid direct involvement with consultants actively working with either C&B or SH&B. Work with those consultants should be thru the respective law firm. Any current agreements should be adjusted accordingly.
7. Evaluate, ASAP, the projects and consultants, both ETS and primary issue, currently funded by S&T to determine continuation or termination for next year.
8. S&T should develop a research plan for ETS with input from Legal, Corporate Affairs and Scientific Corporate Affairs. Projects to be approved by Steve Parrish prior to commitments.
9. Documentation sufficient to evaluate a project should be retained and progress reports given.
10. Covington & Burling consultant program:
  - Basic program remains unchanged.
  - Routine recruitment, care and feeding should be paid by NY.
  - Approval of C&B invoices for legal services and consultants should be by Parrish, not S&T.
  - Mechanism for actual payment to the consultants unchanged.

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- Specific market utilization of consultants charged to and paid by Regional legal department with intra-company charge back to appropriate markets as determined by Gerard and Stig for EEC or EEMA respectively.
  - Formal quarterly review of program.
  - Cancel WTIG services. ('91 - \$5,133 to date)
  - Cancel international support of CEHHT. ('91 - \$85,080 to date)
11. To facilitate worldwide coordination of ETS and possibly Primary programs, S& T Neuchatel should functionally report to S&T Richmond -- accountable to Tom Osdene. Tom provided some guidelines in his report of February which would be helpful in the fiscal management of S&T Neuchatel.
12. Unfortunately most of the following options do not save money this year but rather provide a break even.

381. C&B Consultant fees

- Cancellation of ARIA meeting in Vienna \$200,000.
- Cancellation of WTIG, possible savings \$15,000.
- Cancellation of CEHHT, possible savings \$50,000.

However, because only \$150,000 was accrued by S&T for '90 expenses and the actual amount was \$495,000 -- thus cancellations will be a wash.

387. Research

According to the figures for grants and contracts given at our meeting in Neuchatel the '91 commitment is \$136,893 greater than budgeted.

Budget:	\$1,746,478
Commitment:	
Primary	566,725
ETS	508,623
Contracts	<u>\$ 808,023</u>
	\$1,883,371

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To make up this difference I recommend cancelling three of the four Fresenius projects (\$83,700) and deferring till 1992 the TNO contract for the IAQ book (\$141,700), total savings \$225,400.

Since currency conversions are involved, I would leave the cushion.

#### Consultants paid by S&T

Since the payment for consultants to the ARISE meeting went forward, over our protest, the only savings here will be if the consultants are not used as much for the balance of the year. I so recommend.

#### Videos

Do not make additional video this year -- possible savings \$180,000.

#### Miscellaneous

Since none of this appears to have been spent, perhaps we can commit to not spending it -- savings of \$140,845.

13. After redefinition of functions and activities of S&T, a working plan for 1992 should be developed by S&T approved by Steve Parrish.

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